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8 September 1954

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MEMORANDUM FOR:

SUBJECT:

Preparation of Post Mortem on Production for First Six Months of 1954

REFERENCES:

- A. Minutes of IAC Meeting of 11 May 1954 (IAC-M-151)
- B. "Post Mortem of 1953 Production" dated 30 April 1954

ENCLOSURES:

- A. Draft Appendix B of "National Intelligence Objectives" dated 13 May 1954
- B. National Intelligence Estimates Published from 1 January 1954 to 30 June 1954

1. On 11 May 1954 the IAC agreed that a paper similar to the "Post Mortem of 1953 Production" should be produced semi-annually. Such a post mortem was scheduled to cover production of the first six months of the current year but was not completed. It is intended now to undertake the post mortem for this period and complete it as expeditiously as possible. As soon as this is done procedures will be proposed for placing this activity on a current basis.

2. The tentative schedule proposed to accomplish this is as follows:

(a) Preparation of statements of intelligence deficiencies and, where possible, proposed remedies by the several ONE regional groups. Completion date: 17 September.

(b) Preparation of consolidated Statement of Findings and General Group Review. Completion date: 24 September.

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(c) Submission of draft report to Board of National Estimates. Completion date: 28 September.

(d) Consideration by Board and IAC representatives beginning about 28 September.

(e) IAC noting and circulation by DCI: 12 or 19 October.

3. It will be appreciated if you will:

(a) For guidance purposes, review the "Post Mortem of 1953 Production" and the Draft Appendix B of "National Intelligence Objectives" dated 13 May 1954. A copy of the latter is attached as Enclosure A. Copies of the former are being forwarded separately to addressees who do not have file copies available;

(b) Review the NIE's produced in your area in the period under consideration (see Enclosure B);

(c) Review contributions previously received and returned herewith;

(d) Prepare a Statement of Findings for your area for incorporation in the consolidated report and submit it to me by 17 September.

(e) Indicate in your memorandum estimates which you consider should be eliminated from the production base for purposes of this post mortem, and your reasons therefore.

4. As soon as possible after 17 September a General Group meeting will be held to consider a draft consolidated report.

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CENTRAL INTELLIGENCE AGENCY

13 May 1954

MEMORANDUM FOR: [REDACTED]

Colonel W. H. Hennaig, USA (G-2)
Captain Allan L. Reed, USN (ONI)
Colonel Charles F. Gillis, USAF (AFOSI-2B2)
Captain Ray Malpass, USN (JIG)
Mr. Richard Helms, Chairman, IPC

SUBJECT: National Intelligence Objectives

1. On 4 August 1953, the IAC approved the revision of DCID-4/2 "as a stopgap revision pending review by the Board of National Estimates of this Directive, as well as of the related Directive DCID-4/1, in the light of NSCID-4." The Board was directed to "draft its proposals in consultation with the IAC agencies and with the IPC and thereafter ... submit them to the IAC" (IAC-M-115).

2. The attached draft has been prepared by the Board pursuant to the above directive. It is forwarded for review by the IAC representatives preparatory to IAC action.

3. By copy of this memorandum the Chairman, IPC, is requested to ascertain the views of the IPC and represent that Committee when the IAC representatives meet with the Board.

4. Action

Please have your representative meet with us at 10:00 Monday, 7 June, in Room 146 South Building.

[REDACTED]
Acting Assistant Director
National Estimates

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CENTRAL INTELLIGENCE AGENCY

13 May 1954

NATIONAL INTELLIGENCE OBJECTIVES

THE PROBLEM

To review NSCID-4, DCID-4/1, and DCID-4/2 (Second Revision) and to submit recommendations regarding their basic revision. (IAC-M-115, 4 August 1953, paragraphs 7 and 8.)

RECOMMENDATIONS

1. That the IAC concur in recommending to the National Security Council that NSCID-4 be revised to read as in Appendix A.
2. That DCID-4/1 and DCID-4/2 (Second Revision) be rescinded.
3. That the draft DCID in Appendix B be approved.
4. That the Board of National Estimates be directed to review at least annually the current DCID on priority national intelligence objectives, in consultation with the NSC Planning Board and in coordination with IAC representatives, and to submit proposed revisions to the IAC.

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5. That the Special Assistant to the DCI for Planning and Coordination, in coordination with IAC representatives, be directed to review existing provisions for the development and coordination of "essential elements of information" and of specific collection tasks in conformity with priority national intelligence objectives (see paragraphs 27 and 31 within), and to submit recommendations to the IAC.

DISCUSSION

I. NSCID-4

6. NSCID-4, adopted by the NSC on 12 December 1947, requires the Director of Central Intelligence, in collaboration with the other agencies concerned, to:

- a. Prepare "a comprehensive outline of national intelligence objectives applicable to foreign countries and areas to serve as a guide for the coordinated collection and production of National Intelligence."
- b. Select, on a current basis, under the guidance of the NSC Staff (now the NSC Planning Board), the sections and items of this outline having priority interest, for the priority guidance of national intelligence production.

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7. NSCID-4 was adopted six years ago, when concepts of inter-departmental intelligence coordination were relatively undeveloped, particularly so as regards matters relating to the production of national intelligence estimates. NSCID-4, as it stands, is unsatisfactory as the basic directive with respect to its subject.

8. There is no established definition or common understanding of the term "national intelligence objectives" as used in NSCID-4 and related DCID's. The antecedent documents clearly indicate that the drafters of NSCID-4 intended the term to include every conceivable subject of intelligence interest in relation to national intelligence surveys as well as national intelligence estimates. Construing the term in that sense, it is apparent that the first requirement of NSCID-4, for a "comprehensive outline of national intelligence objectives," has been met, not by DCID-4/1, which purports to serve that purpose, but by the NIS outline (NIS Standard Instructions, June 1951) prepared pursuant to detailed direction in NSCID-3 (13 January 1948). Inasmuch as the requirement for a "comprehensive outline" is adequately covered by the provisions of NSCID-3, the problem, as regards NSCID-4, can be narrowed down to its second subparagraph, that concerned with the determination of priority national intelligence objectives.

9. The basic fault in NSCID-4 is that instead of assigning a mission it prescribes a technique whereby the mission is to be

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accomplished. An evident fallacy in the prescribed technique is the drafters' implicit assumption that a catalog of all matters of intelligence interest is prerequisite to the identification of matters of priority interest.

10. It may be questioned whether there is any need for NSCID-4. The responsibility and authority of the DCI and IAC in relation to the subject are implicit in the Statute and in NSCID-1. The first requirement of NSCID-4 is amply provided for in NSCID-3. The second is largely met through the estimates program and specific terms of reference prepared pursuant to DCID-3/5, which is derived from NSCID-3. On the other hand, there is attested need for the explicit and authoritative determination of critical or priority national intelligence objectives as a basis for the coordination of intelligence collection and research. In order that they may have the requisite authority, it is probably desirable that such determinations should be made pursuant to explicit NSC direction.

11. Conclusion: NSCID-4 should be superseded by a new directive assigning to the DCI, in consultation with the NSC Planning Board and with the concurrence of the IAC pursuant to NSCID-1, paragraph 3c., general responsibility and authority for the determination of national intelligence objectives and priorities, without reference to the technical procedures whereby that mission is to be accomplished.

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II. DCID-4/1

12. DCID-4/1, dated 5 February 1948, is an apparent evasion of the first requirement of NSCID-4. It lists 15 "national intelligence objectives" (i.e., general categories of information of intelligence interest) "generally applicable to all foreign areas." Of necessity these 15 "objectives" are stated in such abstract terms as to be of no practical utility whatever as a basis for selecting critical or high priority objectives. Even as a guide to routine intelligence collection and research DCID-4/1 is manifestly less "comprehensive" and useful than the NIS Standard Instructions.

13. Conclusion: DCID-4/1 serves no useful purpose and should be rescinded.

III. DCID-4/2

14. With evident regard to the second requirement of NSCID-4, DCID-4/1 contemplated the subsequent issuance of priority listings of national intelligence objectives by countries and subjects. DCID-4/2 was the only such listing ever to be issued as a DCID.

15. DCID-4/2 was based on JIC 452/7, "Critical Intelligence Objectives of the Department of Defense with Respect to the USSR,"

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approved by the JIC on 22 May 1950. JIC 452/7 identified five priority intelligence objectives exclusively related to Soviet military capabilities. DCID-4/2, issued on 28 September 1950, was substantially identical except for general reference to Soviet intentions as well as capabilities and for the addition of two highly generalized references to political warfare. On 12 June 1952 DCID-4/2 was amended to cover explicitly "the USSR and its Satellites (including Communist China)." The second revision, 4 August 1953, was the insertion of a reference to clandestine attack with weapons of mass destruction.

16. The preoccupation of DCID-4/2 with Soviet military capabilities and intentions was a natural consequence of its origin and of the circumstances of 1950. The determination of Soviet military capabilities and intentions must remain a matter of highest intelligence priority in any foreseeable circumstances. The military emphasis of DCID-4/2 (Second Revision), however, is not consonant with the conclusions of NIE-99 (20 October 1953) that the Kremlin is unlikely to resort to military action with identifiable Bloc forces during the next two years, that the active threat to US security during that period is likely to be a vigorous Communist political warfare campaign designed to undermine the Western power position, and that there is danger of a weakening of the unity of the Free World.

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17. DCID-4/2 is also not consonant with NSC 162/2, "Basic National Security Policy," approved by the President on 30 October 1953, which indicates a need for intelligence on Soviet vulnerabilities as well as Soviet capabilities. Moreover, NSC 162/2 expressly calls for intelligence on probable developments in the capabilities and intentions of friendly and neutral states as well as of the USSR.

18. Any listing of priority national intelligence objectives should be reviewed, and possibly revised, at least annually. The most appropriate time for an annual review would be as soon as possible after the completion of the major annual Soviet Bloc estimates now scheduled for the second quarter.

19. Conclusion: DCID-4/2 (Second Revision) should be superseded by a new DCID setting forth an expanded list of priority intelligence objectives in consonance with NSC 162/2. Provision should be made for the periodic revision of this new DCID.

IV. DCID-3/5

20. Pursuant to DCID-3/5 (1 September 1953) the Board of National Estimates, in consultation with the NSC Planning Board and with IAC representatives, prepared quarterly a program of national intelligence estimates for the ensuing 12 months. The

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latest example of such a program is IAC-D-1/7 (1 April 1954). IAC approvals of these successive revisions and extensions of the estimates production program are in effect determinations regarding national intelligence objectives. They are not, however, identical with the determination of critical objectives contemplated in Section III above. For one thing, the estimates program will include some estimates scheduled on a basis of current interest or long-term significance rather than on a basis of immediate or continuing critical importance. For another, the estimates program itself will not identify the critical factors in the estimates scheduled. Nevertheless, the identification of critical national intelligence objectives and the programming of national intelligence estimates are closely related subjects.

21. The actual initiation of specific estimates is accomplished through terms of reference prepared by the Board of National Estimates in coordination with IAC representatives to serve as a basis for contributions. These terms of reference do analyze the information required for the particular estimate and consequently afford a basis for a priori identification of critical factors in the situation to be estimated.

22. The critical deficiencies in available intelligence which become apparent in the course of preparing an estimate are the subject of post-mortem review by the Board and IAC representatives in important

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cases (see IAC-D-57 and -65). It is now agreed that such a review shall be conducted semiannually (IAC-M-151). As an effective means of identifying intelligence deficiencies, post-mortem findings are an important contribution to the formulation of priority national intelligence objectives. They are not to be taken, however, as in themselves a statement of such objectives.

23. Conclusion: The Board of National Estimates, in consultation with the NSC Planning Board and in coordination with IAC representatives, is the appropriate body to develop and maintain the proposed DCID on priority national intelligence objectives, subject to DCI and IAC approval of each periodic revision.

V. CRITERIA FOR DETERMINING PRIORITY NATIONAL INTELLIGENCE OBJECTIVES

24. Priority national intelligence objectives should be directly related to the intelligence required in the formulation of national security policy. NSC 162/2, paragraph 10a. (which is reproduced in IAC-D-55/6 [Final], page 2), provides general guidance in this respect. More specific guidance can be obtained by analysis of the basic policy objectives set forth in NSC 162/2 and in other NSC documents, and by direct consultation with the NSC Planning Board.

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25. Most of the intelligence required in the formulation of national security policy will be the product of routine intelligence collection and research. Priority national intelligence objectives should be limited to those critical factors which require special attention and effort.

26. Much of the intelligence required in the formulation of national security policy will be available through normal diplomatic intercourse and military operational liaison, as distinguished from the collection activities of the intelligence agencies themselves. This fact does not obviate the need of the intelligence community for such information, which is essential to the proper discharge of intelligence responsibilities. It does underscore the essentiality of effective cooperation between the operational and intelligence agencies of the several Departments and may affect priorities in the direction of the collection effort of the intelligence agencies as such. In the formulation of priority national intelligence objectives, however, all pressing substantive intelligence problems should be set forth, regardless of the prospective source of information bearing on them.

27. In order to afford a stable basis for intelligence planning, a statement of priority national intelligence objectives should be designed to remain valid over an extended period. It should therefore exclude topics of urgent current, but transitory, interest, which will require and receive ad hoc treatment in any case.

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28. Broad generalities (e.g., Soviet capabilities to wage war) are of little practical use as priority guidance to collection and research. Priority intelligence objectives should therefore be reasonably specific (e.g., Soviet progress in the development of guided missiles). On the other hand, it must be recognized that such objectives, developed by estimates personnel through the identification of critical factors in required estimates, cannot serve as specific collection requirements. The translation of priority national intelligence objectives into "essential elements of information" requires further analysis by research personnel; the translation of "essential elements of information" into specific tasks of collection requires further analysis by collection personnel.

29. By definition, all items in a statement of priority national intelligence objectives should be worthy of immediate attention, but it is obvious that some will be of greater urgency or importance than others. Some means of indicating priority within the general priority category is therefore necessary, but care must be exercised lest the system adopted should, in actual effect, deny priority to a high priority objective. For example, a highly schematic arrangement such as the USCIB Master List would seem to have the effect of giving a low priority topic relating to a first priority country a higher priority than a first priority topic relating to a lower

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priority country, which might well not represent their true order of importance. The only solution for this problem would seem to be to have, say, three levels of priority within the general priority category, with topics relating to a particular country entered at any appropriate level, as in Appendix B. This system would require the maximum exercise of judgment in relation to each item, but nevertheless, for the reason given, is preferable to any rigidly schematic system based, in the first instance, on country priorities.

30. Conclusions: Priority national intelligence objectives should be:

- a. Directly related to the intelligence required in the formulation of national security policy.
- b. Limited to pressing substantive intelligence problems (but including those regarding which information may be expected to come primarily from operational rather than intelligence sources).
- c. Designed to remain valid over an extended period.
- d. Expressed in reasonably specific terms (but not as a final formulation of specific collection requirements).

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- e. Stated in such a way as to indicate broad levels of priority within the general priority category (but not in so rigidly schematic a manner as to distort the relative priority of specific objectives).

VI. SUPPLEMENTARY ACTION REQUIRED

31. IAC adoption of a statement of priority national intelligence objectives would not obviate the need for the estimates programming, terms of reference, and post-mortem procedures now in effect. These procedures should be continued, and the resultant estimates programs, terms of reference, and post-mortem findings should be regarded as supplementary guidance for intelligence collection and research.

32. As noted in paragraph 27, the translation of priority national intelligence objectives into "essential elements of information" and the translation of "essential elements" into specific collection tasks requires action by research and collection personnel. Existing provisions for the accomplishment of these tasks, especially those for interdepartmental coordination with respect thereto, should be reviewed for the purpose of recommending improvements as necessary. Such a review is essential to ensure the full effectiveness of any system for determining priority national intelligence objectives, but is outside the scope of the present problem. Moreover, the Board of National Estimates is not the appropriate body to conduct such a review.

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33. Conclusion: The Special Assistant to the DCI for Planning and Coordination, in coordination with IAC representatives, should be directed to review existing provisions for the development and coordination of "essential elements of information" and of specific collection tasks, and to submit recommendations to the IAC.

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APPENDIX A

DRAFT

NATIONAL SECURITY COUNCIL INTELLIGENCE DIRECTIVE

NO. 4 (REVISED)

NATIONAL INTELLIGENCE OBJECTIVES AND PRIORITIES

Pursuant to the provisions of Section 102 (d) of the National Security Act of 1947, as amended, and for the purpose of providing a basis for the more effective coordination of intelligence collection and production in response to requirements relating to the formulation of national security policy, the Director of Central Intelligence, under the guidance of the NSC Planning Board, and with the concurrence of the Intelligence Advisory Committee pursuant to NSCID No. 1, paragraph 3c., is hereby authorized and directed to establish national intelligence objectives and priorities.

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APPENDIX B

DRAFT

DIRECTOR OF CENTRAL INTELLIGENCE DIRECTIVE NO. 4/3

PRIORITY NATIONAL INTELLIGENCE OBJECTIVES

1. Pursuant to National Security Council Intelligence Directive No. 4, the following list of priority national intelligence objectives is established as a basis for the more effective coordination of intelligence collection and production in response to requirements relating to the formulation of national security policy.
2. By definition, all items in this listing are deemed to be critical intelligence factors requiring priority attention and effort. Distinction is made, however, between three levels of priority within the general priority category. Order of listing within these three groups is a matter of convenience in presentation and has no significance with respect to the relative priority of specific items within the group.
3. DCID's 4/1 and 4/2 are hereby rescinded.*

* NOTE: DCID-4/1, "National Intelligence Objectives," was issued 5 February 1948; DCID-4/2, "Priority List of Critical National Intelligence Objectives," was issued 28 September 1950 and revised 12 June 1952 and 4 August 1953.

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I. HIGHEST PRIORITY OBJECTIVES: Those of such critical importance as to require a maximum intelligence effort.

1. Indications of Soviet strategic intentions, particularly indications of a Soviet intention to initiate open hostilities with identifiable Soviet or Satellite armed forces.
2. Indications of Chinese Communist strategic intentions, particularly indications of a Chinese Communist intention to initiate open hostilities with identifiable Chinese armed forces.
3. Soviet progress in the development and production of weapons and other components of weapons systems requisite for: (a) nuclear attack on the United States and/or Western Europe, (b) defense of the Soviet Bloc against strategic air attack -- with particular reference to the development and production of nuclear weapons, long-range aircraft and related base facilities, and guided missiles.
4. Indications of the Soviet development of operational capabilities for the clandestine delivery of nuclear and/or biological weapons, and of a Soviet intention actually to deliver such an attack.

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7 September 1954

NATIONAL INTELLIGENCE ESTIMATES PUBLISHED

FROM 1 JANUARY 1954 TO 30 JUNE 1954*

00 Series: GENERAL

None

10 Series: SOVIET BLOC

NIE 10-54	Soviet Bloc Economic Warfare Capabilities and Courses of Action (9 March 1954)
NIE 10-2-54	Communist Courses of Action in Asia through Mid-1955 (15 March 1954)
NIE 10-3-54	Communist Capabilities in Indochina (1 June 1954)
SNIE 10-4-54	Communist Reactions to Certain US Courses of Action with Respect to Indochina (15 June 1954)
SNIE 10-5-54	Soviet Bloc Reaction to Certain US Courses of Action to Restrict Bloc Representation in the US (29 June 1954)
SNIE 11-54	Likelihood of General War through 1957 (15 February 1954)
SNIE 11-2-54	Soviet Capabilities for Attack on the US through 1957 (24 February 1954)
NIE 11-3A-54	Summary of the Soviet Atomic Energy Program to Mid-1957 (16 February 1954)
NIE 11-5-54	Soviet Capabilities and Main Lines of Policy through Mid-1959 (7 June 1954)
NIE 12.4-54	Probable Developments in East Germany through 1955 (22 January 1954)

* Note: Prior to 22 June dissemination date is shown. Subsequent estimates show the date on which IAC action was taken.

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20 Series: WESTERN EUROPE

- NIE 20-54 The Outlook for Western Europe over the Next Decade (26 April 1954)
- NIE 27.1-54 Probable Developments in Spain (17 May 1954)
- NIE 28.5-54 Current Situation and Probable Developments in Finland during 1954 ((8 January 1954)

30 Series: NEAR EAST

- NIE 30-54 Prospects for Creation of a Middle East Defense Grouping and Probable Consequences of Such a Development (22 June 1954)

40 Series: FAR EAST

None

50 Series: SOUTH ASIA

- SNIE 50-54 The Probable Repercussions of a US Decision to Grant or Deny Military Aid to Pakistan (15 January 1954)

60 Series: SOUTHEAST ASIA

- NIE 63-54 Consequences within Indochina of the Fall of Dien Bien Phu (30 April 1954)
- SNIE 63-2-54 The Effects of Certain Possible Developments on the Military Security and Political Stability of Laos and Cambodia through 1954 (9 June 1954)
- NIE 63-3-54 Probable Military and Political Developments in Indochina (21 May 1954)
- NIE 63-4-54 Probable Military and Political Developments in Indochina over the Next 30 Days (15 June-15 July) (15 June 1954)

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NIE 65-54 The Probable Outlook in Indonesia through 1954
(19 May 1954)

NIE 66-54 Probable Developments in the Philippine Republic
(23 March 1954)

70 Series: AFRICA

None

80 Series: CARIBBEAN AREA

NIE 87-54 The European Dependencies in the Caribbean Area
(16 March 1954)

90 Series: SOUTH AMERICA

NIE 91-54 Probable Developments in Argentina (9 March 1954)

NIE 92-54 Probable Developments in Bolivia (19 March 1954)

100 Series: MISCELLANEOUS

NIE 100-54 Probable Effects of Increasing Nuclear Capabilities upon the Policies of US Allies (26 April 1954)

SNIE 100-2-54 Probable Reactions of Communist China, the USSR, and the Free World to Certain US Courses of Action in Korea (9 March 1954)

NIE 100-3-54 Consequences of a Relaxation of Non-Communist Controls on Trade with the Soviet Bloc
(23 March 1954)

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